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USDOC FOR 532/OEA/M. NICKSON-D/KGAINES/JHATFIELD  
USDOC FOR 3131/USFCS/OIO/ANESA/KREISSL  
USDOC FOR 4530/MAC/ANESA/OSA  
ICE HQ FOR STRATEGIC INVESTIGATIONS  
STATE FOR EB/ESP

E.O. 12958: N/A

TAGS: [ETTC](#) [ETRD](#) [BEXP](#) [IN](#)

SUBJECT: EXTRANCHECK: POST-SHIPMENT VERIFICATION: INNOVATE SOFTWARE  
SOLUTIONS PVT. LTD., BANGALORE

REF: USDOC 08444

11. Unauthorized disclosure of the information provided below is prohibited by Section 12(c) of the Export Administration Act.

12. On November 28, 2007, Export Control Officer (ECO) Paul Cushman and BIS FSN Prem Narayan conducted a Post-shipment Verification (PSV) at Innovate Software Solutions Pvt. Ltd. (ISS), Bangalore.

13. BIS requested a PSV at ISS, a private sector company located at: #333, 18th G. Main Road, 6th Block, Koramangala, Bangalore 560095, Tel: 91-80-4110-5384, Fax: 91-80-2553-7138, Email: manjup@innovatesolutions.net, website: www.innovatesolutions.net. ISS was listed as an ultimate consignee for three MAJIC II JTAG emulators for ARM and seven MAJIC-LT JTAG emulators for MIPS (CK-EJ52 Cable Kit) The exporter was Embedded Performance, Inc. (EPI), Milpitas, California. Export License Number: GBS/NLR. ECCN: 3A992.

14. ECO and FSN Narayan met with P. Manjunath, Managing Director and T.K. Anil Kumar, Administration-Manager, ISS.

15. ISS representatives were aware of certain BIS regulations. However, this was the first visit of BIS officials to ISS.

16. Manjunath stated that ISS is the authorized distributor in India for Mentor Graphics, Inc. (MGI) based in Wilsonville, Oregon. MGI acquired EPI in 2004. He stated that the commodities on check were sold to the following six Indian companies:

Analog Devices India Pvt. Ltd., Hyderabad, Andhra Pradesh  
Four units bearing serial numbers 501GB015, 501GB016, 501GB018, and 501GB019.

LG Soft India Pvt. Ltd., Bangalore, Karnataka  
One unit bearing serial number 504GB017.

LVL Systems Pvt. Ltd., Hyderabad, Andhra Pradesh  
One unit bearing serial number 501GB020.

Alumnus Software Ltd., Kolkata, West Bengal  
One unit bearing serial number 501GB021.

Ramaiah School of Advanced Studies, Bangalore, Karnataka  
One unit bearing serial number 501GB022.

HCL Technologies Ltd., Chennai, Tamilnadu  
Two units bearing serial numbers 501GB023 and 501GB024.

Manjunath provided a set of documents reflecting the sale of all ten

units on check. The documents included ISS Purchase Order, EPI Invoice, Indian Customs Authority EDI (Electronic Data Interchange), Service Centre Notice for all ten units, Delivery Challans reflecting that all ten units were delivered to the companies mentioned above.

¶7. Manjunath stated that ISS primarily supplies emulators to computer hardware, telecom equipment, and consumer electronics manufacturers. The emulators serve as a non-intrusive tool for inspecting hardware and debugging software in embedded systems. He stated that they exercise due diligence to "know their customer" prior to selling these products.

¶8. Established, 2001, ISS is a small company that serves as agent/distributor for foreign firms. It develops, markets, and supports engineering solutions for multi-physics modeling and embedded applications. In addition to the customers listed above, ISS renders information technology consulting services for various technology platforms. ISS also undertakes software projects for the GOI's Defence Research and Development Organization (DRDO) laboratories. ISS' sales turnover for FY 2007 was approximately \$895,000. It has 18 employees.

¶9. Recommendation: The ten items on check were not available for inspection, as they had been sold to six different Indian companies. Based on the interview of the corporate officers and the documents they provided, Innovate Software Solutions Pvt. Ltd. appears to be a reliable recipient of controlled U.S.-origin commodities. However, because physical verification could not be accomplished, this check remains inconclusive.

MULFORD